

Town of Riverview

COUNCIL REPORT FORM

Presented to: Mayor & Council

Department: Economic Development

Date: December 9, 2024

Subject: Commercial Development Grant Application



BACKGROUND

First implemented in 2017, [the Town's Commercial Development Grant](#) aims to incentivize growth and development in the Town's most prized commercial zones in efforts to grow the commercial tax base, and increase access to amenities for residents. Understanding a balanced tax base is comprised of significant contributions from business as well as residential infrastructure, Riverview has some work to do in encouraging more commercial expansions and attracting new ventures to achieve a stronger balance.

Under the current Commercial Development Grant program criteria, eligible projects must result in an assessed property value increase of at least \$500,000 and may include mixed-use developments, provided that at least 50% of the ground floor is for commercial use. Improvements to the application review process have recently been implemented, including the establishment of an internal Review Committee comprised of the organization's leaders in Administration, Finance, Urban Planning, and Economic Development to thoroughly evaluate applications and make recommendations to Council, the ultimate approving body and advocate for the program.

With four current active participants in the program since 2020, the grant has been successful in supporting major developments contributing to the Town's tax base. Today, Council has before them a new application for consideration.

This report highlights the application from Icon Developments for the I Stor It storage facility expansion at 517 Pine Glen Road, looking to add 12 new storage units to parcels zoned Industrial and Suburban Commercial, a project estimated at \$3.5 million. The Commercial Development Grant criteria states only land zoned Commercial are eligible, therefore the Review Committee has aligned on a recommendation to Council to consider allocating grant funding for the 9 storage units that will be developed on the parcel zoned Suburban Commercial, in alignment with the program requirements. Authorizing this grant would allocate Icon Developments approximately \$150k spread over 5 years for this project.

The objective is for Council to execute a final review of the application and make a "go" or "no go" decision to provide Staff direction on participation in the Town's Commercial Development Grant.

CONSIDERATIONS

Legal:

Following approvals from Council for developers to participate in the program, successful applicants are required to enter agreements legally binding them to the Commercial Development Grant's terms and conditions.

Financial:

The economic development departmental budget currently covers financial incentive programs and would incorporate projection planning for new successful applicants in future years. Grant benefits would only be expected to be paid out after July 1st, of the following year, of the final inspection, upon proof of all municipal tax payments, therefore 2026 and subsequent fiscal years would be the earliest possible timeframe the first year of payments for successful applicants could occur.

Policy:

The Municipal Plan and Zoning By-Law are important policies that allow the municipality to help govern and streamline projects, and development within zones designated commercial dictate eligibility of projects proposed under the Commercial Development Grant.

Stakeholders:

- **Town Council**; in considering Riverview's needs for commercial amenities, fostering a balanced tax base comprised of significant contributions from businesses, and being advocates of the grant program it oversees, and in providing input and direction via application review and assessment.
- **Town Administration**; in managing the Commercial Development Program, in promoting it to commercial developers, in advocating for increased commercial amenities to support the varied needs of residents, in working towards resolving current market gaps, in working towards increasing the commercial portion of the municipal tax base, and in fostering long-term sustainability of local businesses.
- **Local Business and Development Community**; in participating in the Commercial Development Grant, and whose and business contribute to the vitality and vibrancy of our town.
- **Riverview Community**; in receiving the benefits of increased commercial offerings, and continuing to choose Riverview as a prime place to shop.

Strategic Plan:

- Under the **"Building a Sustainable Community"** theme; Riverview establishes policies, practices and programs that focus on the sustainability of the community and environment we operate in (i.e., Municipal Plan to factor in benefits and opportunities of natural infrastructure assets).
- Under the **"Thriving Community"** theme; Riverview creates a supportive and attractive environment where local businesses, developers, entrepreneurs and residents can thrive. Furthermore, Riverview is a desirable place to live, shop, visit and play.

- Under the “**Service Excellence**” theme; Riverview remains a community of choice because of its continued excellence in the delivery of municipal services as well as its fiscally responsible approach to growth and sustainability.

Interdepartmental Consultation:

Through participation in the internal Review Committee, cross-departmental collaboration is fostered across departments such as Economic Development, Finance, Urban Planning, and Administration.

Communication Plan:

Marketing and promotions of the Commercial Development Plan are ongoing throughout the year. An ad recently ran in the September edition of the Atlantic Business Magazine, another ad placement is booked for November in the arrival’s terminal of the YQM Greater Moncton airport, and regular promotions are dispersed over the Town’s social media channels, webpages, newsletters, and more.

OPTIONS

- Move forward with the Commercial Development Grant applications from Icon Developments, in accordance with the Review Committee’s recommendation.
- Move forward with the Commercial Development Grant applications from Icon Developments for all proposed storage units, making an exception for those proposed on land zoned Industrial.
- Refuting the application from Icon Developments for participation in the Commercial Development Grant program.

RECOMMENDATION FROM STAFF

Council approves the Town of Riverview move forward with the Commercial Development Grant application from Icon Developments in accordance with the Review Committee’s recommendation.

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